



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 23-0042	Date:	February 20, 2023
Prime Sponsors:	Rep. Ricks Sen. Exum	Bill Status:	House Business
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Bill Topic: CONSUMER REPORTS NOT INCLUDE MEDICAL DEBT INFORMATION

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies the prohibition on consumer reports to include medical debt and places disclosure requirements on debt collectors and collections agencies. The bill minimally increases state workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, consumer reporting agencies are prohibited from making any consumer report containing any information on adverse items that predate the report by seven years. Under the bill, reports used in connection to credit transactions or life insurance underwriting that involve amounts greater than \$150,000 are not subject to this prohibition.

The bill also prohibits reports containing information on medical debt and changes the exemption from \$150,000 to the national conforming loan limit value for a one-unit property. Debt collectors and collections agencies are required to inform consumers of this prohibition and cannot make misleading statements to consumers that suggest medical debt will be included in a consumer report.

State Revenue and Expenditures

The bill may minimally impact workload in the Consumer Protection section of the Department of Law to handle any additional complaints received, and for the trial courts in the Judicial Department to handle any additional cases of misleading representation that are filed. Any related revenue is also expected to be minimal. No change in appropriations is required.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Counties

Information Technology

Judicial

Law